

**DATE:** June, 2021

**N° 2021-20**

**CATEGORY:** Risk

**TO:** Managing General Agents, Associate General Agents, Brokers,  
General Agents, Independent Financial Advisors and National Accounts

**SUBJECT:** **Advanced Marketing and Large Case Support and Review**

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**\*This Information Circular replaces Head Office Circular 2010-17\***

From time to time, we get questions regarding our Large Case and Advanced Marketing Quote, Review and Support Processes, as well as the protocols dealing with these types of cases. Our experience has shown that the following criteria, processes and procedures best handle these types of cases.

### **Criteria for Advanced Marketing Concepts and Large Case Quote Review**

Tax, Retirement and Estate Planning Services takes the lead on requests.

- The Underwriting Department's threshold for VIP handling starts at \$5,000,000 and greater in face amount/sum insured or \$25,000 in annualized premium.
- Tax, Retirement & Estate Planning Services Advanced Marketing case support generally starts at \$10,000 in annualized premiums.
- Technical inquiries do not have a minimum threshold. The understanding is that they are related to existing or potential cases where Empire Life is being seriously considered as a service and product provider. All contracted advisors have access to the library of support material under [Business Building](#)

### **Business Building:**

At Empire Life, we are focused on helping you build your business by providing the right information and tools you will need to provide expert advice and service to your clients.

The Empire Life Sales, Tax, Estate Planning, Underwriting & Product (STEPUP) Team can give you a "step up" in your business by helping you:

- with technical support
- in case consultations
- outline comprehensive tax & estate planning alternatives for your clients;
- focus on small business owners, incorporated professionals (e.g. medical doctors, dentists, pharmacists, etc.), high net worth clients and complex cases;
- work with your client's other professional advisors;
- increase case placement success; and
- ultimately add value to your client relationships

Please go to the Advisor section of the Empire Life Website and click on [Business Building](#) for more information and access to our extensive service offerings.

### **Empire Life's underwriting VIP service includes:**

- A welcome email to advisor and MGA on receipt of the application in underwriting.
- Direct contact with your underwriter is available throughout the underwriting process.
- Priority processing of your file and prompt updates on any developments or decision.
- A doctor's report (APS), if required, will be ordered and followed on a priority basis.
- We will shop for best offer on non standard business.
- You will be contacted on final policy decision (standard, preferred, elite, rated or declined).

- Before any close out, we will contact advisor for any possible need for extension.

Insurance Age will be the age used for Rate Quotation purposes. Ratings will be noted and quoted as percentage extras.

- On Rated cases, Insurance Age may include any Ratings that have been applied during the Underwriting review.
- On Joint Life Quotes, for joint life cases, the Insurance Age will be based upon the Single Equivalent Age quoted.

**The Advanced Marketing Case/Concept Illustration process is as follows:**

- All eligible cases need to be supported by our illustration software. Quotes should not be requested for ages and amounts that fall outside of Empire’s published limits. The advisor should perform the initial illustration.
- If illustration support is required for concepts and strategies, cases should be forwarded to the advisor’s Sales Account team at Empire Life by completing the [Advanced Marketing Case/Concept Illustration Request](#)
- Relevant assumptions for the scenarios and associated quotes are to accompany the request. Notes should include background on the case, product application, purpose of the coverage and rationale for the types of quotes requested. Any identifiers are appreciated in confidence to safeguard against multiple and varied quote requests coming from different sources. Again, advisors are to use [Advanced Marketing Case/Concept Illustration Request](#). The reason is simple. Tax, Retirement & Estate Planning Services may provide alternatives to the strategy and product application more suited to the scenario as they understand it to improve acceptance by all parties, including the client, other professionals, the advisor and Underwriting.
- It is recommended that Empire’s Tax, Retirement and Estate Planning team be apprised and involved in the case development. The team may uncover needs and opportunities not considered before or recommend a different approach and strategy with an eye towards the client’s best interests and optimizing case placement success.

**New Business Submission Package**

The Tax, Retirement & Estate Planning team will help prepare, package and better position a case to facilitate presentation to underwriters and reinsurers. A large case package includes a cover letter as well as documents relevant to the case.

A cover letter explaining the purpose of the insurance and how the coverage amount was determined should accompany all application submissions. It should also include any additional information the representative has about the applicant, beneficiary and owner. The Tax, Retirement & Estate Planning Team can assist the advisor in drafting this industry best practice approach.

Considering that every situation is different, relevant documents may differ from case to case. Here are some examples of what these documents may include:

- Financial information provided by the applicant on the application or a questionnaire
- Financial Needs Analysis (Corporate or Individual) supporting the case
- For new/rapidly growing businesses, individual consideration based on the client's experience in the field, amount of owner's paid-in capital, start date of business, realistic projections of near term growth, contracts in place etc.
- Copy of the Empire Life Concept that was used (if applicable)
- Corporate organizational chart
- Above \$3,000,000 we require a completed Personal or Business Financial Questionnaire. Please include the policy number on the applicable questionnaire. These questionnaires are located on the Empire Advisor website under [questionnaires](#)
- Corporate Financial Statements /Tax returns (for corporate cases)
- Personal Financial Statements /Tax returns (for personal cases)
- For key person coverage: salary of key person and a general description of role
- Copies of agreements (e.g. shareholders’ or partnership agreements, loan agreements)
- Illustration supporting the application
- Concept used and associated illustration if applicable.
- Existing coverage or coverage being applied for elsewhere

For additional information regarding: life insurance, please refer to the [Financial Underwriting Guidelines \(Life\)](#)

For critical illness insurance, please refer to the [Financial Underwriting Guidelines \(CI\)](#)

Once the application is submitted together with the compliant illustration and supporting documentation for the case, the Tax, Retirement and Estate Planning team will co-ordinate the Advanced Case and/or Large Case support for the transaction. This will include the following:

- Notification of the advisor's Account Manager of the application
- Tax, Retirement and Estate Planning review of the case in support of the Financial Underwriting requirements associated with larger cases
- Responding to underwriting queries on applicant and strategy(s) used
- Clarify/educate/inform underwriters of rationale used in developing case and arriving at insurance structure and funding
- Communication of any case specific pricing adjustments that occur as part of the Underwriting approval process to the advisor

**Reference:**

Peter A. Wouters, Director, Tax, Retirement & Estate Planning Services  
Paul Holba, Vice President, Retail Distribution